Department of Accounts Payroll Bulletin

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Voluntary Payroll Deduction Fee

Postponement and Possible Elimination of the Fee Additional resources have been identified and Governor Warner has proposed an Executive budget amendment directing these resources to support the Savings Bond and Supplemental Insurance (Post-Tax) payroll deduction programs. If approved by the General Assembly, the monthly fee announced in Payroll Bulletin 2002-19 will be eliminated. If the Governor's amendment is not approved, the fee will begin in April 2003. Additional information will be provided following the General Assembly session. Prior to April, do not take any action to stop savings bond or miscellaneous insurance deductions unless directed by the employee or through the FBMC change reports.

Communication to Employees

We appreciate your efforts to date to expedite communication and distribution of the forms to your employees. Please communicate this change to your employees as well, as quickly as possible. The Department of Accounts will put a message announcing the postponement and possible elimination of the fee on Payline for the affected participants. We will also notify FBMC who will notify the vendors in the Provider Network.

Signed Authorization Forms

Signed authorization forms for the Payroll Deduction Fee that have recently been collected should be retained in your files for future use should the General Assembly not approve Governor Warner's Executive Amendment.

Unsigned Authorization Forms

Use your discretion regarding obtaining any remaining unsigned authorization forms from employees. Please understand that while we are hopeful the amendment will be approved, if it is not, employees will need to provide (and you will need to collect) signed authorization forms prior to April 2003 to continue participation in these payroll deduction programs.

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The Payroll Bulletin is published periodically to provide CIPPS agencies guidance regarding Commonwealth payroll operations. If you have any questions about the bulletin, please call Lora L. George at (804) 225-2245 or Email at lgeorge@doa.state.va.us

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